

## **Project Narrative Description**

### **Hammond Road Apartments**

Hammond Road Apartments will be an affordable housing development which will be located on Garfield Road just north of the intersection of Hammond Road in Garfield Township Michigan. Garfield Road is a public street which will offer direct access to the proposed development site with two access points to satisfy fire codes. There is no access planned to Hammond road due to traffic concerns. The site is located in a residential neighborhood with access to existing infrastructure and other nearby services and employment opportunities. The property is currently zoned Agricultural and is designated in the Township's future land use plan for high density residential use. The developers have filed a request for a map adjustment to rezone the site to R-3 (High Density Residential, 6 - 10 units per acre). Our project is proposed at less than 6 units per acre.

The new rental apartment exteriors will be constructed with brick and fiber-cement siding. The high-quality features of the development will offer its residents a unique affordable housing opportunity that will meet or surpass most other tax credit developments in the area. Affordable unit rents will be comparable to other LIHTC developments in the area.

The new development will consist of 80 apartment units with a mix of two- and three-bedroom units. The buildings will be designed as two-story, wood frame structures with brick and fiber cement siding. Design features will include energy efficient windows and doors, high R-value insulation, along with many family friendly features including central heated and air-conditioned living areas, ceiling fans, dishwasher and microwave appliances. High quality construction techniques and energy efficient materials will result in a product that meets sustainable building standards. Additionally, all other MSHDA Architectural and building sustainability requirements will be met, or exceeded. Development amenities will include on-site professional management, a community building/room, on-site laundry, fully equipped playground, and an outdoor covered gathering area.

Our development team has developed and operates similar properties in Michigan and other states. All of our properties are enjoying high occupancy levels due to superior facility design and excellent property management performance. The Grand Traverse County area has a significant lack of affordable housing stock and has a growing need for additional affordable housing. Occupancy levels for existing housing in the area are near 100% and most affordable housing has significant waiting lists.

Due to the affordable rent structure offered to its residents, the development cannot be financially feasible without support from the community by means of a Payment in Lieu of Taxes (PILOT) agreement with Garfield Township. Property taxes will be calculated based on 4% of the sheltered rents collected. Currently the property is assessed based on its agricultural use which generates a nominal amount of taxable revenue to the Township. Additional revenues to the Township will be realized for utility services provided to the new development and perhaps most importantly, the new development will bring a valuable increase in affordable housing opportunities to the community which has a severe need for additional affordable workforce and senior housing stock.

**Thank you for the opportunity to introduce our project. We respectfully request to begin the process to have the Township adopt a 4% Pilot Ordinance for the project but in the meantime ask you to provide a letter of general support of the project and the required 4% PILOT to make to project feasible, understanding that the PILOT Ordinance would be subject to the final vote of the Board. The application for funding to MSHDA is due on June 22<sup>nd</sup>.**